F760002-0840 PET 152 LIBYA

UNCLASSIFIED

Department of State

TELEGRAM

404

UNCLASSIFIED CONFIDENTIAL 409

DECLASSIFICATION DATE 3/1/76
PER MBerry OFFICE NEA
FADRC FOI CASE NO. 5-A-87

PAGE 01 BENGHA 00002 040856Z

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ACTION AF-13

INFO OCT-01 EUR-20 CIAE-00 DODE-00 PM-06 H-02 INR-06 L-03
NSAE-00 NSC-10 P-03 RSC-01 PRS-01 SS-14 USIA-12 E-11
COM-08 INT-06 OEP-01 RSR-01 /119 W

060654

R 040815Z JAN 76
FM AMEMBASSY BENGHAZI
TO SECSTATE WASHDC 0723
INFO AMEMBASSY LONDON
AMEMBASSY TRIPOLI

DEPARTMENT OF STATE A/CDC:HR
REVIEWED BY cf DATE 3/4/82
RDS or XDS EXT. DATE
TS AUTH.
ENDORSE EXEMPTIONS
DECLASSIFIED RELEASABLE
RELEASE DENIED
PA or FOI EXEMPTIONS

UNCLASSIFIED CONFIDENTIAL BENGHAZI 0002

SUBJECT: NATIONALIZATION OF BP:
HUNT/AGEC RELATIONS

FROM MACK

1. RELATIONS BETWEEN ARAB GULF EXPLORATION COMPANY AND NELSON BUNKER HUNT PERSONNEL CONTINUE TO BE GOOD. HUNT REPS SAY THAT THERE ARE NO SERIOUS PRODUCTION PROBLEMS. THEY EXUDE CONFIDENCE AND ARE MAKING PLANS FOR A PERMANENT STAY IN BENGHAZI, SARIR AND TOBRUQ.

2. TO MY KNOWLEGE, ARAB GULF HAS MADE ONLY TWO LIFTINGS, ONE TO SINCAT (BENGHAZI 479) AND ONE TO RUMANIA. SINCAT LIFTING COULD BE CONSIDERED COST CRUDE TO WHICH LARG ENTITLED, BUT MORE RECENT SHIPMENT TO RUMANIA IS DEFINITELY "HOT OIL."

3. IN CHANCE MEETING, RCC MEMBER MUSTAFA KHARUBI ASKED ME WHEN NELSON BUNKER HUNT WOULD VISIT LIBYA. HE STRONGLY HINTED THAT VISIT WOULD BE DESIRABLE. (FAILURE OF HUNT TO VISIT LIBYA SINCE REVOLUTION IS LONG STANDING LIBYAN GRIEVANCE AGAINST COMPANY.) RELATED MATTER TO HUNT REP WHO PASSED IT ON TO REED, PRESENTLY IN TRIPOLI.

4. COMMENT: OPTIMISM OF HUNT REPS HERE SEEMS PREMATURE.

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REED IS IN TRIPOLI WITH TEAM FROM DALLAS TO NEGOTIATE AGREEMENT BETWEEN HUNT AND LARG. NEGOTIATIONS WILL LIKELY PROVE DIFFICULT.
PALMER

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